

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2017 / 2018

BMG 3024 CROSS CULTURAL MANAGEMENT
(All Sections / Groups)

5 MARCH 2018
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

This examination paper consists of **FIVE (5)** pages (excluding this Cover Page) in **TWO (2)** Sections:

1. **Section A** – 20 Multiple choice questions (40 marks)

Instruction: Answer **ALL** questions. Shade your answers in the OMR answer sheet provided using a '2B' or 'BB' pencil.

2. **Section B** – 3 Essay questions (60 marks) – All questions carry equal marks.

Instruction: Answer **ALL** questions. Write your answers in the answer booklet provided.

SECTION A (40 Marks)**Answer ALL questions**

Identify the letter of the choice that best completes the statement or answer the question. *All questions carry two (2) marks each.*

Shade your choice of answers in the OMR answer sheet provided.

1. _____ is the chance that political forces may change a country's business environment in ways that lead investors to lose some or all of the value of their investment or be forced to accept a lower-than-projected rate of return.
 - A. Political risk
 - B. Operating risk
 - C. Transaction risk
 - D. Governmental risk
2. Intelligentia is attempting to do business in Bazania, but the Bazanian government purposely delays granting Intelligentia the necessary licenses and permissions required to conduct business in the country. Which of the following best describes this situation?
 - A. Confiscation
 - B. Nationalization
 - C. Barriers to repatriation
 - D. Creeping expropriation
3. Expropriation of corporate assets without prompt and adequate compensation is an example of _____.
 - A. legal risk
 - B. cultural risk
 - C. political risk
 - D. economic risk
4. The Anti-Sweatshop Code of Conduct requires companies to provide a healthy and safe work environment and to _____.
 - A. reduce environmental footprints
 - B. differentiate on the basis of gender
 - C. pay the prevailing local minimum wage
 - D. employ forced labor when the situation demands it
5. Social responsibility, ethical behavior, and interdependence are important concerns to be built into _____.
 - A. moral idealism
 - B. economic control
 - C. management control
 - D. corporate sustainability

Continued....

6. A company subscribing to ethical relativism would implement the morality of the
 - A. host country
 - B. shareholders
 - C. legal system
 - D. home country
7. John, an American national, works as a manager at his firm's subsidiary in Indonesia. A local government official tells John that materials could be delivered to the firm's facility more quickly if John pays an extra fee to the port supervisor. What should be John's first action?
 - A. Discuss the issue with his local agent
 - B. Refer to the company's code of ethics
 - C. Consult his supervisor in the United States
 - D. Consult both American and Indonesian laws
8. Which of the following terms refers to any cultural variables that undermine the communication of intended meaning?
 - A. Cultural noise
 - B. Cultural ethics
 - C. Cultural empathy
 - D. Cultural attribution
9. Which of the following will help an international business manager cultivate trust in cross-cultural communications?
 - A. Staying away from conflicts that need to be addressed
 - B. Establishing trust and achieving hidden agenda without being conspicuous
 - C. Socializing when possible and making friendly contacts with persons involved
 - D. Making communications as formal as possible and refraining from open communications
10. Al Razim, a construction engineer, recently traveled to Germany in order to find investors for his real-estate project. While he finally succeeded in getting an investor, he was surprised by the explicitness of the Germans. Sometimes all he got was a direct "No." This is because Germans are a _____ culture.
 - A. polychronic
 - B. low-context
 - C. high-context
 - D. high-contact

Continued....

11. _____ refers to how something is said rather than the content—i.e., the rate of speech, the tone and inflection of voice, other noises, laughing, or yawning.

- A. Proxemics
- B. Paralanguage
- C. Object language
- D. Kinesic behavior

12. Roch, a Swiss chocolate company, recently opened a manufacturing unit in Spain. The purpose of this move was that Roch wanted to avoid Spain's high import tariffs. Which of the following reasons prompted Roch to open the manufacturing unit in Spain?

- A. Trade barriers
- B. Customer demands
- C. Growth opportunities
- D. Globalization of competitors

13. The first broad scan of all potential world markets should result in the firm being able to _____.

- A. eliminate countries with high cultural risk
- B. determine the best sources for raw materials
- C. eliminate markets with unreasonable entry conditions
- D. identify the strengths and weaknesses of its competitors

14. Which of the following is an advantage of establishing a new, fully-owned foreign manufacturing?

- A. Repatriation
- B. Currency stability
- C. Absence of expropriation risks
- D. Full control over decision making

15. To be effective, firms reorganizing into a domestic structure plus foreign subsidiary in one or more countries should _____.

- A. refrain from exporting
- B. categorically ignore niche markets
- C. stop investing in domestic businesses
- D. allow a great deal of autonomy to subsidiary managers

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16. The focus of Selina Inc., an MNC producing a range of products that can be marketed through common channels to similar customers worldwide, is marketing. Its aim is to become an insider in every country it operates. Which of the following organizational forms is most likely to be favored by Selina's management?

- A. A global functional structure
- B. A global geographic structure
- C. A domestic structure plus export department
- D. A domestic structure plus foreign subsidiary

17. Using the Internet to streamline global supply systems _____.

- A. increases fixed costs
- B. eliminates the reliance on local suppliers
- C. enhances the efficiency of the supply chain
- D. creates a vertical hierarchical structure within organizations

18. There are various categories of resources—both people and processes—which IHR managers and others must develop and maintain; in particular it is essential for them to _____.
A. develop culturally homogeneous teams
B. develop effective global management teams
C. minimize long-term retention and use of international cadre
D. consider host-country labor relations system as essentially anarchic

19. Felix Johnson is a senior HR manager in a global conglomerate. He believes that an important factor contributing to international competitiveness is the ability of an organization to maximize its global human resources in the long run. With which of the following is Felix most likely to agree?

- A. Outsourcing is the most logical method of achieving economies of scale and maximizing benefits.
- B. Extensive training programs are unlikely to help organizations improve the quality of their workers.
- C. Maximizing long-term retention through career management increases the odds in favor of global competitiveness.
- D. The promotion of women in international management is unlikely to positively impact an organization's competitiveness in the global business arena.

20. An expatriate manager who returns after a few years from an overseas assignment to find that there is no position for him in his home country office experiences a(n) _____.

- A. expatriate failure
- B. assimilation effect
- C. cognitive dissonance
- D. reverse culture shock

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SECTION B (60 Marks)**Answer ALL THREE (3) questions.***Write your answers in the answer booklet provided. All questions carry equal marks.*

1. a. What is globalization? What is the relationship between globalization and information technology?
(10 marks)
- b. What is sustainable development? Why is sustainability a dilemma for MNCs?
(10 marks)
[20 marks]
2. a. What is paralanguage? How is an international manager's ability to interpret paralanguage essential to cross-cultural business communication?
(10 marks)
- b. What is strategy and strategic planning? What are the key steps in the strategic management process?
(10 marks)
[20 marks]
3. a. Describe the organizational structure and characteristics of transnational corporations.
(10 marks)
- b. Briefly discuss the conflicts associated with transnational teams. What are some of the advantages and disadvantages of transnational teams?
(10 marks)
[20 marks]

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